

2067 william Sanko1.txt

1

1 DPONENT
2 being first duly sworn, as hereinafter
3 certified, was examined and testified as
4 follows:

5 - - - - -
6 CROSS-EXAMINATION

7 BY 6789:

8 Q Can you please state your name.

9 A It's Bill Sanko, William John Sanko.

10 Q Can you please state your address and
11 telephone number.

12 A The address is 6590 Jamelia Court,
13 Fairview, Pennsylvania. Phone number is
14 814-474-1517.

15 Q Mr. Sanko, I will be asking you a series of
16 questions today. After I'm done, Mr. Gutkin
17 will likely then ask you some more questions.
18 If you do not understand a question, please tell
19 us --

20 A Okay.

21 Q -- and we will either clarify the question
22 or repeat it for you.

23 A All right.

24 Q Is that acceptable?

25 A Yes.

TACKLA & ASSOCIATES

2

1 Q Great. Mr. Gutkin may object to a question
2 I ask, I may object to a question that

2067 william Sanko1.txt
20 press pads, and press pads are a perishable
21 product used to make plastic cards, and I
22 supplied press cards to Motorola, I supplied
23 press pads separate to Indala, so those files, I
24 didn't -- to tell you the truth, I didn't know
25 it was on there. That -- that's -- other than

TACKLA & ASSOCIATES

□

8

1 that, I've got everything.
2 Q okay. Thank you.
3 I'm going to -- I'm going to need you,
4 Mr. Sanko, to produce those files --
5 A That's okay.
6 Q -- at a later date.
7 A I can do that.
8 Q okay. Thank you.
9 Do you have any health issues?
10 A No.
11 Q Are you treating anything with medication?
12 A No.
13 Q Did you go to high school?
14 A Yes.
15 Q Did you graduate high school?
16 A I did.
17 Q What year did you graduate high school?
18 A 1961.
19 Q Did you go to college?
20 A I did.
21 Q What college did you attend?
22 A I've got a two year Associate degree in
23 engineering from Pennsylvania State University,

2067 william Sanko1.txt

24 which I think I got in 1964 or '5, and I've got
25 a four year baccalaureate Bachelor of Science in

TACKLA & ASSOCIATES

9

1 science that I got from a school in Colorado in
2 Denver, it's actually in Engelwood, or Loretto
3 Heights University.

4 Q What type of engineering degree was it?

5 A ME.

6 Q Mechanical Engineer?

7 A Yes.

8 Q Do you have any other degrees?

9 A No.

10 Q Are you currently employed?

11 A Yes.

12 Q Who is your employer?

13 A Sanko Sales Company.

14 Q Do you own the company?

15 A I do.

16 Q What is your position in Sanko Sales?

17 A President, Chief Operating Officer.

18 Q What is the address of Sanko Sales?

19 A Same as my home address, 6590 Jamelia
20 Court, Fairview.

21 Q What year did Sanko Sales begin doing
22 business?

23 A October, 1977.

24 Q What business is Sanko Sales engaged in?

25 A To begin with, it wasn't what it is now. I

TACKLA & ASSOCIATES
Page 8

2067 william sanko1.txt

10

1 began building the heat-up plates that go in
2 molding presses, rubber and lastic molding
3 presses, they're called platens, I began doing
4 that and selling small steam generators, both of
5 those things I do today, but the business has
6 expanded. I guess the way I got in this
7 business, and I say "this business" plastic card
8 business, is maybe somebody asked one too many
9 times why don't you supply plastic card presses,
10 so I did.

11 Q Okay. Thank you.

12 were you employed prior to --

13 A Yes.

14 Q -- starting Sanko Sales --

15 A Yes.

16 Q -- in 1977?

17 who was your employer?

18 A Oh, I've had several. General Electric --

19 Q Let's take one at a time. Just prior to
20 Sanko Sales, who was your employer?

21 A Custom Engineering.

22 Q What was your position there?

23 A Sales manager for platens. The company was
24 divided in two, they had a contract machining
25 division, which is -- which was handled by one

TACKLA & ASSOCIATES

11

1 sales engineering -- or sales manager, and I was
2 the other half.

2067 William Sanko1.txt

- 3 Q Okay. Do you recall the years you were
4 employed by them?
- 5 A Right --
- 6 Q Approximately.
- 7 A 28 years ago. 28 to 30 years ago.
- 8 Q What were your primary job responsibilities
9 there?
- 10 A Oh, sales, design, marketing the platens.
11 Pretty much the same thing I do for my business
12 now.
- 13 Q Were you employed prior to -- to that job?
- 14 A Yes.
- 15 Q And who was your employer?
- 16 A I'll tell you, 30, 45 --35 years ago. I
17 don't really remember.
- 18 Q That's okay.
- 19 A G.E. at one point, marketing work, sales
20 and marketing work, and rapid transit, those are
21 the only jobs that I had, that I could say
22 pertain to this work I'm doing now.
- 23 Q And this work being lamination?
- 24 A Laminators, more sales marketing and
25 advertising than product-specific.

TACKLA & ASSOCIATES

□

12

- 1 Q Okay. Are you an inventor?
- 2 A Yes.
- 3 Q Have you issued patents?
- 4 A Yes.
- 5 Q How many?

2067 William Sanko1.txt

6 A I think there's three or four.

7 Q Did you bring those patents with you today?

8 A Yeah, they're in that cardboard box.

9 Q Do any of the patents relate to laminating

10 plastic cards?

11 A They all do.

12 Q Do any of the patents relate to laminating

13 plastic cards that have a chip embedded in --

14 A Not that I recall.

15 Q -- in the card?

16 A I was going to review those files to check.

17 The ones I looked at, I could find no reference.

18 You see, all the terminology in there, although

19 I signed it, some of it is done by your

20 attorney, so I have to honestly say I don't

21 think so, there's no reference to chips in

22 there, but it could be.

23 Q Okay. Mr. Sanko, what is the Lobo patent?

24 A You know, I'm going to give you a real

25 honest answer here. This guy stole my patents.

TACKLA & ASSOCIATES

13

1 Q Who?

2 A He's a patent attorney, Al Lobo, and I'll

3 tell you what, I never thought I'd have to have

4 an attorney to represent me regarding my patent

5 attorney, but I just recently found out the

6 signee on those patents is Al Lobo, and he's my

7 patent attorney. That was never supposed to

8 happen. I paid for those, not him. It's kind

9 of a bitter issue.

2067 William Sanko1.txt

24 A Yes. I said, that's very novel, that's
25 original.

TACKLA & ASSOCIATES

18

1 Q Okay. When was your very first experience
2 with a laminator?

3 A For plastic cards?

4 Q Yes, for plastic cards.

5 A It was one I own. It would have been
6 sometime maybe around 1980. It could have been
7 even before that, because I was involved even
8 with Custom Engineering with manufacturing
9 platens for presses. Some of those presses
10 could have been laminating presses.

11 Q So prior to 1980 you had your first
12 experience with a laminator used to laminate
13 plastic cards?

14 A Yeah. Yes.

15 Q Were these single stack or double stack
16 laminators?

17 1234: Object to form.

18 Q You can answer the question.

19 A I don't recall.

20 Q Okay.

21 A Most likely single stack, because double
22 stack didn't come along until quite -- quite --
23 quite a bit later.

24 Q Okay.

25 A To the best of my knowledge.

TACKLA & ASSOCIATES
Page 16

2067 william Sankol.txt

6 Avenue, I believe they made some. Boy. Lake
7 Erie press, which is -- which is their -- I
8 believe it was their predecessor, and even
9 beyond that it could have been Dake. I mean,
10 there are a number of press making
11 manufacturers, I could probably go on and on and
12 on and give you the could be's. The specifics,
13 I don't know.

14 Q Did you sell these laminators prior to
15 1990?

16 A 19 -- prior to 1990? '85 to '90, I believe
17 I did.

18 Q Okay. Did these presses have a heating
19 cycle and a cooling cycle?

20 A I don't recall. Probably yes. If I had
21 anything to do with it, it would always have
22 been my recommendation that they did.

23 Q And would it always be your recommendation
24 to have a pressure during the cooling cycle that
25 was approximately double the pressure during the

TACKLA & ASSOCIATES

40

1 heating cycle?
2 1234: Vague and
3 ambiguous.
4 A I --
5 Q Do you understand the question?
6 A Yes. I refer -- I always wanted a pressure
7 higher on the cooling cycle than the heating
8 cycle. That was my recommendation.

9 Q Have you ever heard of a U.K. company

2067 william Sanko1.txt

10 called Oakwood --

11 A Yes.

12 Q -- Design?

13 A Oh, yeah. Sure.

14 Q Have you ever sold any Oakwood laminators?

15 A Not -- I don't think so. Maybe once, and I
16 say maybe. I don't recall. But I've had a lot
17 of dealings with Oakwood.

18 Q why don't you tell us --

19 A It's possible.

20 Q -- a little bit about those dealings.

21 A Oh, for example, Oakwood -- Oakwood was a
22 competitor. I could have sold a used press
23 owned by -- or manufactured by Oakwood, I don't
24 think I, did but I could have, because I've seen
25 it on equipment lists that people sent me.

TACKLA & ASSOCIATES

□

41

1 Specifically -- no, I'd have to go back and -- I
2 have to think about the name of the company in
3 Canada, because they change -- I mean, they
4 were -- they were consistent for a long time and
5 all of a sudden people started buying out and
6 names would change, the people would change.

7 There was a company in Canada that had
8 an Oakwood press, NBS, NBS Systems. I don't
9 think I did sell it. The fellow that I dealt
10 with was a guy by the name of Charles Musket who
11 still lives in Canada. In fact, when I went up
12 there to see him, I know I didn't sell the press

2067 William Sanko1.txt

13 because he didn't like it at all. I didn't sell
14 it.

15 Q Do you recall the year that NBS Systems had
16 the Oakwood press?

17 A Oh, boy. No. It would have been, I'm
18 going to guess 1990, maybe '95. I don't recall.

19 Q Do you recall which Oakwood press it was?

20 A No. I do know that it was a transfer press
21 and it did not work well.

22 Q What's a transfer press?

23 A Transfer press being a twin stack, hot
24 press, cold press setup.

25 Q Was it a table top press or one of the --

TACKLA & ASSOCIATES

42

1 big press?

2 A Big press.

3 Q Okay. Is that the only time you saw an
4 Oakwood press, was at NBS Systems in Canada?

5 A Oakwood -- Oakwood had a rough time
6 penetrating the market here in the United
7 States. I'm not saying they do now, they did
8 then. I'm not even sure Oakwood is in existence
9 anymore. I think Oakwood, per se, is out of
10 business, maybe they just reformatted the
11 company, I don't know. I didn't see very many
12 Oakwood presses. They didn't have a very good
13 reputation.

14 Q Do you recall any other locations other
15 than NBS Systems in Canada?

16 A No.

2067 william sanko1.txt

13 A Yes.

14 Q They never raised it during the heating
15 cycle?

16 A No. And I remember I was really surprised
17 that they got good print registration, but it
18 worked. But again, like I say, you know what, I
19 mean, there's a lot of ignorancy, a lot of
20 ignorance in this particular market here, people
21 didn't know, they didn't experimented, they just
22 assumed.

23 Q Um-hum.

24 A I mean, like I said, when I introduced the
25 second pressure and I'm not -- like I said, I'm

TACKLA & ASSOCIATES

□

78

1 probably not the inventor of that, they were
2 amazed, and I'm sure that to go beyond that
3 there might be a way. I don't know.

4 Q The laminators that you designed for
5 laminating plastic cards, when you set the
6 pressure during the heating cycle, does it take
7 a period of time to ramp up to that pressure?

8 A Really it's pretty quick. It's pretty
9 quick. Seconds.

10 Q Typically how quick?

11 A Seconds.

12 Q Seconds?

13 A Yeah.

14 Q Pressure starts at zero?

15 A Um-hum.

2067 william Sankol.txt
16 Q And it ramps up to whatever your setting
17 is, approximately whatever your setting is?
18 A No. Yes and no, because in hey multiple --
19 most of the presses that I worked on are single
20 stack presses, and again, we talked about that
21 earlier, because of the lack of those
22 counterbalanced platens, when that -- when that
23 ram is going up, it's already accumulating
24 pressure, the product on the bottom, and then
25 less and less as you go up per daylight opening.

TACKLA & ASSOCIATES

79

1 Pressure wouldn't actually start until
2 the ram was fully closed, until the ram
3 experienced that pressure and -- and the
4 resistance, that pressure wouldn't start;
5 however, a product doesn't know that, you know.
6 I mean, by the gauges, that pressure does not
7 start on a hydraulic power unit until that press
8 is fully closed.
9 Q Um-hum. What is the first laminator that
10 you're aware of --
11 A I don't know.
12 Q -- that had platens that were
13 counterbalanced?
14 A I don't -- I don't ever remember seeing
15 one.
16 Q Do you ever recall reading about one?
17 A Yeah. No, not one, counterbalancing.
18 Q The concept or technique of

2067 william Sanko1.txt

9 competitor's laminator.

10 Q what year did you quote that laminator?

11 A Oh, it's a good three, four years ago.

12 Q Okay.

13 A Oh, I'm wrong. It wasn't Indala, it was

14 HID Corporation. So I'm wrong.

15 Q Okay. We're going to switch gears again.

16 Prior to 1995, are you aware of any

17 laminators that were used to laminate plastic

18 cards having a hard object between plastic

19 sheets?

20 A I don't recall when chip cards came along.

21 I don't know. See, the date I'm not sure of. I

22 can't honestly tell you. I mean, somewhere

23 along the line I became aware of the fact that

24 they were putting chips in cards, but when that

25 was, I don't know. I've never done it.

TACKLA & ASSOCIATES

86

1 Q When you say chip in cards, do you mean a

2 chip between two sheets of plastic?

3 A Yeah.

4 Q Okay.

5 A Well, chip between. They were never

6 imbedded, they were always placed in a drilled

7 or milled pocket, that's the way they decided to

8 do it. I've never seen them imbedded like Keith

9 does it.

10 You know, I've been in I don't know

11 how many plants, I've been in almost everyone's

2067 William Sanko1.txt

12 plant and talked to them about processes, I've
13 never seen that imbedding process done. I'm
14 confident it was never done prior to Keith doing
15 it, but that's my own opinion, I'm going on
16 record as saying that.

17 Q So in your experience, gosh, since 1977
18 with Sanko Sales, the plastic cards that you've
19 come across over the years have been simply
20 sheets --

21 A Of plastic.

22 Q -- of plastic, one stacked on top of the
23 other and laminated?

24 A Yes.

25 Q Okay.

TACKLA & ASSOCIATES

87

1 A I can't -- I can't even say that ever one
2 of my laminators was used to make chip cards. I
3 don't personally know that. I mean, I've never
4 even had anybody say that we intend to use it
5 for this purpose, strictly plastic cards.

6 Q Could the laminators you designed in the
7 '80s have been used to laminate --

8 A I don't know.

9 1234: Object.

10 Q -- a chip between two plastics sheets?

11 1234: Object.

12 A I honestly don't know.

13 1234: Object to form.

14 A Maybe. I don't know.

15 1234: If I object, let me
Page 77

2067 william Sanko1.txt

16 get my objection in --

17 THE WITNESS: Okay.

18 1234: -- and then you can
19 answer, otherwise it makes it hard for the
20 reporter.

21 THE WITNESS: Okay.

22 Q Do you have any idea -- strike that.

23 - - - - -

24 (Discussion had off the record.)

25 - - - - -

TACKLA & ASSOCIATES

88

1 6789: Back on the record,
2 please.

3 BY 6789:

4 Q Is there any reason why you believe your
5 lamination -- laminators that you designed in
6 the '80s could not be used to laminate a plastic
7 card that had a chip or antenna between two
8 plastic layers?

9 1234: Object to form.

10 A It's apparent to me only now, in
11 retrospect, I have to plead -- I had -- I am now
12 pleading ignorance because I didn't know how
13 plastic cards were made, or smart cards were
14 made. I know now generalities about Keith's
15 patents or his applications that involve the use
16 of these counterbalanced platens and softening
17 the plastic. Now, I can say my laminators would
18 not have worked to make those kinds of cards,

2067 william Sanko1.txt
19 they would have had to be -- they would have had
20 to be modified, but only now would I know that.
21 Q Why -- you tested -- why is it though your
22 laminators would not have worked?
23 A Well, most of those plat -- most of those
24 presses, to begin with, were multiple platen
25 presses with accumulated weight on the bottom

TACKLA & ASSOCIATES

89

1 platens, and it -- with regard to Keith's
2 design, it sounds like to me he wants the
3 pressure the same on all the platens all the
4 time. I'm not saying he maintains it, I'm not
5 saying he changes it, he just doesn't want that
6 pressure different on one versus the other.
7 That's the reason for the multiple platens.
8 I guess I kind of thought, without
9 really thinking about it, was my linear
10 laminator capable of making smart cards? I
11 would have said yes. Is it? Not on the basis
12 of what I know now. And I guess I don't know
13 anything. Like I said, I've never read that
14 patent, I'm only going by generalities, with
15 regard to those generalities, my laminator could
16 not do that.
17 Q I'm not asking about functioning --
18 A Okay.
19 Q -- cards, I don't care if the chip would
20 have broken or the antenna would have been
21 damaged somehow, if possible.
22 A Okay.

2067 william Sanko1.txt

23 Q Is there any reason that you're aware of
24 that the laminators that you designed in the
25 '80s --

TACKLA & ASSOCIATES

90

1 A Okay.

2 Q -- could not be used to laminate plastic
3 cards having a chip or an antenna between two
4 plastic sheets?

5 A Just the way --

6 1234: Object -- object to
7 form.

8 A Just the way I designed them?

9 Q Um-hum.

10 A Yeah, they couldn't be.

11 Q They couldn't be?

12 A Yeah, because, I mean, really, when you're
13 talking about producing a product, you want that
14 product to come out successful, so it's the
15 success of that product or lack of it that would
16 determine whether or not you could do it, and
17 with my equipment, it couldn't be done, not by
18 what I know now.

19 Q And why was that?

20 A You get failure in the electronics.

21 Q Because of --

22 A Accumulated pressure, temperatures. I
23 couldn't vary the temperature. I had no ability
24 to do that. I'm assuming that's required.

25 All my laminators, single stacks, they

2067 William Sanko1.txt

TACKLA & ASSOCIATES

91

1 all had that accumulated pressure. I mean, if
2 you're going to wind up with a 75 or 80 percent
3 failure rate on your cards, you're not going to
4 want to do it. Nobody can stay in business and
5 lose that kind of product. So can -- will my
6 product -- will my laminator do it? No. Not to
7 the best of my knowledge.

8 Q Let's put aside for a moment the yield
9 rate.

10 A Okay.

11 Q Let's assume I don't care about --

12 A Yield.

13 Q -- yield.

14 A You don't care if you get one good one.

15 Q That doesn't matter to me.

16 A Okay.

17 Q Could the laminators that you designed in
18 the '80s have laminated cards with a chip or
19 antenna between plastic sheets?

20 1234: Object to form.

21 THE WITNESS: Sorry.

22 A I don't know. I don't know.

23 Q Is there any reason that you know of why
24 they could not be?

25 1234: Same objection.

TACKLA & ASSOCIATES

92

1 A They just didn't have the ability to vary
Page 81